

DHS-022 Amendment to the Iowa Plan for Behavioral Health Contract

This 22nd Amendment to Contract Number MED-09-020 is effective July 1, 2013, between the Iowa Department of Human Services (DHS), the Iowa Department of Public Health (DPH) collectively the "Departments," and Magellan Behavioral Care of Iowa, Inc. (Contractor).

Section 1: Background. DHS is moving toward the Integrated Health Home model as the preferred mechanism for delivering health care services to certain qualifying members within the Iowa Plan enrolled population. To this end, DHS believes that targeted case management services (TCM) may be more effectively coordinated with other services if payment for those services are within the purview of the Contractor. In addition, Case Management should clearly be provided for enrollees who are receiving Habilitation Services through the Iowa Plan contractor.

To achieve this the Departments agree that this amendment shall establish an administrative services organization in order to effectively assess the need for TCM and Case Management for enrollees receiving Habilitation Services, authorize TCM and Case Management, and pay TCM and Case Management providers for those services that are properly approved.

Section 2. Amendment to the Contract. Section 4A.3.1 of RFP MED-09-010, which is incorporated into the Contract by reference, is hereby amended by adding the following subsections to the Section.

4A.3.1.9 Contractor shall develop a panel of providers of TCM and Case Management services using criteria approved by DHS. Each provider shall contract with the Contractor to become a member of Contractor's provider network. Adherence to the network contract shall be required in the same manner as any other provider contracted with the Iowa Plan network.

4A.3.1.10 **TCM and Case Management Reimbursement to Providers.** Contractor shall make payment for TCM and Case Management to providers for services authorized and provided to enrolled members in the Chronically Mentally Ill population, those members receiving Habilitation services and those enrolled in the Child Mental Health waiver. Each payment shall be made using appropriate codes, which must be contained in monthly encounter data submissions to DHS. Contractor shall pay TCM and Case Management providers no more than DHS would pay for the same services if the services were paid directly by DHS.

Section 3 Amendment to the Contract. Section 2.1(3)(a) of the Contract, entitled *Capitation Payment for Medicaid Enrollees*, is hereby amended by adding the following clause at the end of this subsection:

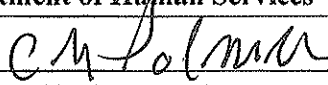
Payment: The Contractor shall not be at risk for the cost of services addressed in Sections 4A.3.1.9 and 4A.3.1.10 of RFP MED-09-010, which is incorporated into this Contract by reference. Contractor shall invoice DHS monthly for the actual payments made by Contractor for all claims for services covered under Sections 4A.3.1.9 and 4A.3.1.10 of RFP MED-09-010 that were paid during the preceding month. Contractor shall validate each claim through encounter data. Contractor

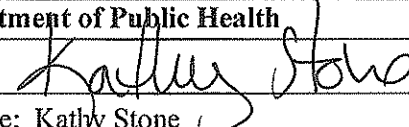
shall add 6% of the total payment to the invoice to cover administrative and overhead costs associated with this administrative function. Contractor shall only be entitled to reimbursement for the actual costs of services paid and the 6% administrative fee for services.

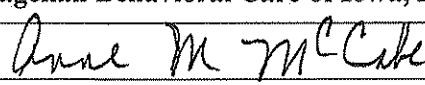
Section 4. Ratification, Authorization & Contingency.

Except as expressly amended and supplemented herein, the Contract shall remain in full force and effect, and the parties hereby ratify and confirm the terms and conditions thereof. Each party to this Amendment represents and warrants to the other that it has the right, power, and authority to enter into and perform its obligations under this Amendment, and it has taken all requisite actions (corporate, statutory, or otherwise) to approve execution, delivery and performance of this Amendment, and this Amendment constitutes a legal, valid and binding obligation upon itself in accordance with its terms. This amendment is subject to and contingent upon CMS approval.

Section 5. Execution. IN WITNESS WHEREOF, in consideration of the mutual covenants set forth above and for other good and valuable consideration, the receipt, adequacy and legal sufficiency of which are hereby acknowledged, the parties have entered into the above Amendment and have caused their duly authorized representatives to execute this Amendment.

Iowa Department of Human Services	
Signature: 	
Printed Name: Charles M. Palmer	
Title: Director	Date: 8-8-13

Iowa Department of Public Health	
Signature: 	
Printed Name: Kathy Stone	
Title: Director Division of Behavioral Health	Date: 8/13/13

Contractor, Magellan Behavioral Care of Iowa, Inc.	
Signature: 	
Printed Name: Anne M. McCabe	
Title: President	Date: 7/17/13